

THIRD AMENDED AND RESTATED CONSULTING SERVICES AGREEMENT

THIS THIRD AMENDED AND RESTATED CONSULTING SERVICES AGREEMENT (the "Agreement") is made and entered into as of July 1, 1999, by and between MicroLink Corporation, a California corporation (the "Company" or "MicroLink") and The Perseus Group Inc. ("Consultant").

WHEREAS, the Company desires to retain the services of Consultant on the terms and conditions herein provided, and Consultant is willing to provide such services on such terms and conditions.

WHEREAS, the Company and Consultant desire to amend and restate that certain Second Amended and Restated Consulting Services Agreement, by and between each of them, dated February 1, 1999 (the "Prior Agreement"), which provides that it may be modified by a subsequent writing executed by Consultant and the President of the Company.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants of the parties contained herein, the parties agree as follows:

1. Term of Agreement. This Agreement is effective as of July 1, 1999 (the "Effective Date") and will terminate on February 1, 2000 (such date, the "Termination Date"), unless terminated earlier pursuant to Paragraph 4 of this Agreement.

2. Services. Consultant agrees to render consulting services (the "Services") to the Company for the term of this Agreement. Consultant shall serve under the direction of the President. The Services shall include, but are not limited to, those duties set forth in Exhibit A hereto. Consultant will provide Services to the Company for 40 hours per week. The parties understand and agree that Consultant will have the sole discretion to determine the method, means and location of performing the Services, and that the Company has no right to, and will not, control or determine the method, means or place of the performance of the Services.

3. Compensation. During the term of this Agreement, as compensation for the Services rendered and other obligations undertaken by Consultant hereunder, the Company shall pay Consultant an hourly rate as set forth on Exhibit B hereto. Consultant shall submit to the Company invoices for all Services rendered at the end of each two week period in which Consultant provided Services. Upon receipt of Consultant's invoice, payment will be made by the Company for each hour in which Consultant satisfactorily has provided Services. Consultant shall use its best efforts in providing such Services. The Company also agrees to grant Consultant (or the employee of Consultant actually performing the Services) an additional 30,000 options ("Option Grant 2") in addition to the 67,500 options granted under the Prior Agreement ("Option Grant 1"), for a total of 97,500 options pursuant to the Company's 1999 Stock Option/Stock Issuance Plan, such options subject to vesting as described on Exhibit B hereto. The foregoing fees and options are Consultant's sole compensation for rendering Services to the Company.

4. Termination of Agreement. This Agreement may be terminated by either the Company or the Consultant at any time prior to the Termination Date by giving ten days' written notice of termination. Such notice may be given at any time for any reason, with or without cause. The Company will pay Consultant for all Services performed by Consultant through the date of termination.

5. Independent Contractor Status. It is the express intention of the parties to this Agreement that the Consultant be an independent contractor and be classified by the Company as such for all employee benefit purposes; the parties agree that Consultant is not an employee, agent, joint venturer or partner of the Company. Nothing in this Agreement shall be interpreted or construed as creating or establishing an employment relationship between the Company and Consultant. Both parties understand and agree that Consultant may, and probably will, perform services for others during the term of this Agreement.

6. Warranties. Consultant warrants that it is in the business of providing to other companies services similar to those provided to the Company under this Agreement; Consultant further warrants that it either is providing, or has provided, such services to other companies.

7. Employment of Assistants. Should Consultant, in its sole discretion, deem it necessary to employ assistants to aid it in the performance of the Services, the parties agree that the Company will not direct, supervise or control in any way such assistants to Consultant in their performance of Services. The parties further agree that such assistants are employed solely by Consultant, and that it alone is responsible for providing workers' compensation insurance for such employees, for paying the salaries and wages of such employees and for ensuring that all required tax withholdings are made. Consultant further represents and warrants that it maintains workers' compensation insurance coverage for such employees.

8. Non-Competition. Consultant agrees that, during the period Consultant renders services to the Company, Consultant will not, without the prior written approval from the President of the Company, engage in any employment, business or activity that is in any way competitive with the business or proposed business of the Company, and Consultant will not assist any other person or organization in competing with the Company, or in preparing to engage in competition with the business or proposed business of the Company.

9. Obligations of the Consultant.

a. Consultant will supply all tools and equipment necessary to perform the Services.

b. Consultant solely is responsible for all taxes, withholdings and other similar statutory obligations, and Consultant agrees to defend, indemnify and hold the Company harmless from any and all claims made by any entity on account of an alleged failure by the Consultant to satisfy any such tax or withholding obligations.

c. Consultant will be responsible for all travel expenses incurred in connection with this Agreement; provided, however, if travel is performed pursuant to the Company's specific written request, Consultant shall be reimbursed for reasonable

expenses incurred up to an approved amount, upon submission and verification of customary receipts and vouchers.

d. Consultant will indemnify and hold the Company harmless from, and will defend the Company against, any and all loss, liability, damage, claims, demands or suits and related costs and expenses to persons or property that arise, directly or indirectly, from acts or omissions of Consultant, or from the breach of any term or condition of this Agreement attributable to Consultant or its agents.

10. Reporting to the Company's Facilities. Consultant is not required to report to work at the offices of the Company during any particular work hours. Rather, Consultant is free to report or not report to the Company's offices as Consultant sees fit. When Consultant does visit the Company's offices, Consultant will be required to sign in and be issued a temporary identification badge like any other non-employee visitor to the Company's facilities.

11. Confidential Information. Consultant understands that the Company possesses Proprietary Information (as defined below) which is important to its business and that this Agreement creates a relationship of confidence and trust between Consultant and the Company with regard to Proprietary Information.

a. For purposes of this Agreement, "Proprietary Information" is information that was or will be developed, created or discovered by or on behalf of the Company, or is developed, created or discovered by Consultant while performing Services, or which became or will become known by, or was or is conveyed to, the Company which has commercial value in the Company's business. "Proprietary Information" includes, but is not limited to, trade secrets, designs, technology, mask works, know-how, works of authorship, source and object code, algorithms, processes, data, computer programs, ideas, techniques, inventions (whether patentable or not), business and product development plans, customers, customer lists and other information concerning the Company's actual or anticipated business, research or development, personnel information, terms of compensation and performance levels of Company employees, Inventions (as defined in subsection "e" below) or which is received in confidence by or for the Company from any other person. Consultant understands and agrees that this consulting relationship creates a relationship of confidence and trust between the Company and Consultant with respect to Proprietary Information.

b. At all times, both during the term of this Agreement and after its termination, Consultant will keep in confidence and trust, and will not use or disclose, any Proprietary Information without the prior written consent of the President of the Company, except as may be necessary in the ordinary course of performing the Services under this Agreement.

c. Consultant understands that the Company possesses or will possess "Company Documents" which are important to its business. For purposes of this Agreement, "Company Documents" are documents or other media or tangible items that contain or embody Proprietary Information or any other information concerning the business, operations or plans of the Company, whether such documents have been prepared by Consultant or by others. "Company Documents" include, but are not limited to, blueprints, drawings, photographs, charts,

graphs, notebooks, customer lists, computer disks, personnel files, tapes or printouts, sound recordings and other printed, typewritten or handwritten documents. All Company Documents are and shall remain the sole property of the Company. Consultant agrees not to remove any Company Documents from the business premises of the Company or deliver any Company Documents to any person or entity outside the Company, except as required in connection with performance of the Services under this Agreement. Consultant further agrees that, immediately upon the Company's request and in any event upon completion of the Services, Consultant shall deliver to the Company all Company Documents, apparatus, equipment and other physical property or any reproduction of such property, excepting only Consultant's copy of this Agreement.

d. During the period Consultant renders services to the Company and for one year thereafter, Consultant will not encourage or solicit any employee of the Company to leave the Company for any reason.

e. Consultant promptly will disclose in writing to the President of the Company all "Inventions" (which term includes improvements, inventions, designs, formulas, works of authorship, trade secrets, technology, mask works, circuits, layouts, algorithms, computer programs, ideas, processes, techniques, know-how and data, whether or not patentable) made or conceived or reduced to practice or developed by Consultant, either alone or jointly with others, during the term of this Agreement in connection with the Services or which relate to any Proprietary Information.

All Proprietary Information and all title, patents, patent rights, copyrights, mask work rights, trade secret rights and other intellectual property and rights anywhere in the world (collectively, "Rights") in connection therewith shall be the sole property of the Company. Consultant hereby assigns to the Company any Rights Consultant may have or acquire in such Proprietary Information.

Consultant agrees that all Inventions which Consultant makes, conceives, reduces to practice or develops (in whole or in part, either alone or jointly with others) during the period Consultant renders services to the Company in connection with the Services or which relate to any Proprietary Information shall be the sole property of the Company. Consultant agrees to assign and hereby assigns to the Company all Rights to any such Inventions.

f. Consultant agrees to perform, both during and after the term of this Agreement, all acts deemed necessary or desirable by the Company to permit and assist it, at Consultant's reasonable rate, in evidencing, perfecting, obtaining, maintaining, defending and enforcing Rights and/or Consultant's assignment with respect to such Inventions in any and all countries. Such acts may include, but are not limited to, execution of documents and assistance or cooperation in legal proceedings. Consultant hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Consultant's agents and attorneys-in-fact to act for and on behalf and instead of Consultant, to execute and file any documents and to do all other lawfully permitted acts to further the above purposes with the same legal force and effect as if executed by Consultant.

g. Consultant represents that performance of all the terms of this Agreement will not breach any agreement to keep in confidence Proprietary Information acquired by Consultant in confidence or in trust prior to the execution of this Agreement. Consultant has not entered into, and Consultant agrees not to enter into, any agreement, either written or oral, that conflicts or might conflict with Consultant's performances of the Services under this Agreement.

h. If any Rights or Inventions assigned hereunder are based upon, incorporate, are improvements or derivatives of or cannot reasonably be made, used, reproduced and distributed without using or violating technology or Rights owned or licensed by Consultant and not assigned hereunder, Consultant hereby grants the Company a perpetual, worldwide royalty-free, non-exclusive sublicenseable right and license to exploit and exercise all such technology and Rights in support of the Company's exercise or exploitation of any assigned Rights or Inventions (including any modifications, improvements and derivatives thereof).

12. General Provision. Consultant agrees that all obligations under Sections 9(b)-(d), 11, 13 and 15 through 18 of this Agreement shall continue in effect after termination of this Agreement, and that the Company is entitled to communicate Consultant's obligations under this Agreement to any future client or potential client of Consultant.

13. Enforceability of Agreement. Consultant agrees that any dispute in the meaning, effect or validity of this Agreement shall be resolved in accordance with the laws of the State of California without regard to the conflict of laws provisions thereof. Consultant further agrees that if one or more provisions of this Agreement are held to be unenforceable under applicable California law, such provision(s) shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

14. Assignment. This Agreement shall not be assignable by either the Consultant or the Company without the express written consent of the other party.

15. Arbitration. Consultant and the Company agree that any and all disputes that either party may have with the other party which arise out of this Agreement shall be resolved through final and binding arbitration in Los Angeles, California in accordance with the rules and regulations of the American Arbitration Association then in effect. Both parties understand and agree that the arbitration shall be instead of any civil litigation and that the arbitrator's decision shall be final and binding to the fullest extent permitted by law and enforceable by any court having jurisdiction thereof.

16. Entire Understanding. This Agreement amends and restates the Prior Agreement in its entirety, which agreement hereby is terminated and of no force and effect, except as provided in Section 12 thereof. This Agreement contains the entire understanding of the parties regarding its subject matter and supersedes all other agreements, oral or written, between the parties. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained herein shall be relied upon or be valid or binding. This

Agreement only can be modified by a subsequent written agreement executed by Consultant and the President of the Company.

17. Notices. All notices required or given herewith shall be addressed to the Company or Consultant at the designated addresses shown below by registered mail, special delivery, or by certified courier service:

a. To Company:

MicroLink Corporation
1110 Ohio Avenue, Suite 108
Los Angeles, CA 90025

b. To Consultant:

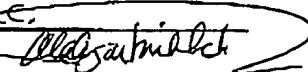
The Perseus Group Inc.
3812 N. Lupine Lane Apt. #E
Calabasas, CA 91320

18. Attorneys' Fees. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements, in addition to any other relief to which the party may be entitled.

Consultant has read this Agreement carefully and understands and accepts the obligations which it imposes upon Consultant without reservation. No promises or representations have been made to Consultant to induce Consultant to sign this Agreement. Consultant signs this Agreement voluntarily and freely.

CONSULTANT
THE PERSEUS GROUP INC.

Dated: July 1, 1999

By: The Perseus Group Inc. 

Name: Alan Mikhak

Title: President

MICROLINK CORPORATION

Dated: July 1, 1999

By: William T. Colleran 

Name: William T. Colleran

Title: President and Chief Executive Officer

EXHIBIT A**DUTIES OF CONSULTANT**

To develop a wireless network for data communication, including the review of the following:

1. Bluetooth,
2. IrDA, and
3. the Company's proprietary protocol.

EXHIBIT B
COMPENSATION

Company hereby agrees to pay Consultant, as compensation for the Services, \$78.125 per hour (not to exceed \$150,000 in the aggregate for a total of 1920 hours) and a total of 97,500 stock options as described in Section 3 and as set forth in the table below. Upon the approval of MicroLink's Board of Directors, the options will vest over a four-year period, with the first 25% vesting at the end of the first year of Services, measured from the Vesting Commencement Date, and the remaining options shares vesting in a series of 36 successive equal monthly installments upon Consultant's completion of each additional month of Service over the 36-month period measured from the first anniversary of the Vesting Commencement Date.

	Option Grant 1	Option Grant 2	Total
Number of shares:	67,500	30,000	97,500
Date of Grant:	4/29/99	6/22/99	
Vesting Commencement Date:	12/15/98	12/15/98	
Option Exercise Price	\$0.08 per share	\$0.13 per share	